

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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IN RE THE BEAR STEARNS COMPANIES, INC.  
SECURITIES, DERIVATIVE, AND ERISA  
LITIGATION

This Document Relates To:  
Securities Action, No. 08 Civ. 2793 (RWS)

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BRUCE S. SHERMAN,

Plaintiff,

v.

BEAR STEARNS COMPANIES INC., JAMES  
CAYNE, WARREN SPECTOR and DELOITTE &  
TOUCHE LLP,

Defendants.  
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: 08 M.D.L. No. 1963 (RWS)

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**DECLARATION OF PROFESSOR ALLEN FERRELL**

**NOVEMBER 20, 2015**

**PAGES 1-9 INTENTIONALLY OMITTED**



Allen Ferrell

November 20, 2015

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**Confidential Information Redacted**

## **Appendix A**

**Allen Ferrell**

Harvard Law School  
Cambridge, Massachusetts 02138  
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**CURRENT POSITIONS**

*Greenfield Professor of Securities Law*, Harvard Law School

*Member of Editorial Board*, Journal of Financial Perspectives

*Fellow*, Columbia University's Program on the Law and Economics of Capital Markets

*Faculty Associate*, Kennedy School of Government

*Research Associate*, European Corporate Governance Institute

**EDUCATION**

*Massachusetts Institute of Technology*, Ph.D. in Economics, 2005  
Fields in econometrics and finance

*Harvard Law School*, J.D., 1995, *Magna Cum Laude*

- Recipient of the *Sears Prize* (award given to the two students with the highest grades)
- Editor, *Harvard Law Review*

*Brown University*, B.A. and M.A., 1992, *Magna Cum Laude*

**PREVIOUS POSITIONS**

*Harvard University Fellow*  
Harvard Law School, 1997

*Law Clerk*, Justice Anthony M. Kennedy  
Supreme Court of the United States; 1996 Term

*Law Clerk*, Honorable Laurence H. Silberman  
United States Court of Appeals for the District of Columbia; 1995 Term

#### **COURSES TAUGHT**

*Securities Regulation*  
*Securities Litigation*  
*Regulation of Market Structure*  
*Law and Finance*  
*Law and Corporate Finance*  
*Contracts*

#### **REFeree FOR FOLLOWING JOURNALS**

*American Law and Economics Review*  
*Journal of Corporation Finance*  
*Journal of Financial Perspectives*  
*Journal of Law and Economics*  
*Journal of Law, Economics and Organization*  
*Journal of Legal Studies*  
*Quarterly Journal of Economics*

#### **CONSULTING AREAS**

Price Impact and Securities Damages, Valuation, Mergers & Acquisitions

#### **Papers**

"Thirty Years of Shareholder Rights and Stock Returns," with Martijn Cremers, *revise and resubmit Journal of Financial Economics*

"Socially Responsible Firms," with Hao Liang and Luc Renneboog, *revise and resubmit Journal of Financial Economics* (winner of Moskowitz Prize for outstanding quantitative research in socially responsible investing)

"Thirty Years of Shareholder Rights and Firm Valuation," with Martijn Cremers, 69 *Journal of Finance* 1167 (2014)

"Rethinking Basic," with Lucian Bebchuk, 69 *Business Lawyer* 671 (2014)

"Calculating Damages in ERISA Litigation," with Atanu Saha, 1 *Journal of Financial Perspectives* 93 (2013)

"Forward-casting 10b-5 Damages: A Comparison to other Methods", with Atanu Saha, 37 *Journal of Corporation Law* 365 (2011)

"Event Study Analysis: Correctly Measuring the Dollar Impact of an Event" with Atanu Saha, Working Paper (2011)



“Legal and Economic Issues in Litigation arising from the 2007-2008 Credit Crisis,” with Jennifer Bethel and Gang Hu, in *PRUDENT LENDING RESTORED: SECURITIZATION AFTER THE MORTGAGE MELTDOWN* (Brookings Institution Press 2009)

“Securities Litigation and the Housing Market Downturn,” with Atanu Saha, 35 *Journal of Corporation Law* 97 (2009)

“The Supreme Court’s 2005-2008 Securities Law Trio: *Dura Pharmaceuticals*, *Tellabs*, and *Stoneridge*,” 9 *Engage* 32 (2009)

“What Matters in Corporate Governance?” with Lucian Bebchuk & Alma Cohen, 22 *Review of Financial Studies* 783 (2009)

“Do Exchanges, CCPs, and CSDs have Market Power?,” in *GOVERNANCE OF FINANCIAL MARKET INFRASTRUCTURE INSTITUTIONS* (editor Ruben Lee) (2009)

“An Asymmetric Payoff-Based Explanation of IPO ‘Underpricing’,” Working Paper, with Atanu Saha

“The Law and Finance of Broker-Dealer Mark-Ups,” commissioned study for NASD using proprietary database (2008)

“Majority Voting” in *REPORT OF THE COMMITTEE ON CAPITAL MARKETS REGULATION* (2008)

“The Loss Causation Requirement for Rule 10B-5 Causes of Action: The Implications of *Dura Pharmaceuticals v. Broudo*,” with Atanu Saha, 63 *BUSINESS LAWYER* 163 (2007)

“Mandated Disclosure and Stock Returns: Evidence from the Over-the-Counter Market,” 36 *Journal of Legal Studies* 1 (June, 2007)

“Policy Issues Raised by Structured Products,” with Jennifer Bethel, in *BROOKINGS – NOMURA PAPERS IN FINANCIAL SERVICES*, Brookings Institution Press, 2007

“The Case for Mandatory Disclosure in Securities Regulation around the World,” 2 *Brooklyn Journal of Business Law* 81 (2007)

“U.S. Securities Regulation in a World of Global Exchanges,” with Reena Aggarwal and Jonathan Katz, in *EXCHANGES: CHALLENGES AND IMPLICATIONS*, Euromoney (2007)

“Shareholder Rights” in *REPORT OF THE COMMITTEE ON CAPITAL MARKETS REGULATION* (2007)

“Creditor Rights: A U.S. Perspective,” 22 *Angler- und Glaubigerschutz bei Handelsgesellschaften* 49 (2006)

"Measuring the Effects of Mandated Disclosure," 1 *Berkeley Business Law Journal* 369 (2004)

"If We Understand the Mechanisms, Why Don't We Understand the Output?," 37 *Journal of Corporation Law* 503 (2003)

"Why European Takeover Law Matters," in *REFORMING COMPANY AND TAKEOVER LAW IN EUROPE* (Oxford University Press) (2003)

"Does the Evidence Favor State Competition in Corporate Law?," with Alma Cohen & Lucian Bebchuk, 90 *California L. Rev.* 1775 (2002)

"Corporate Charitable Giving," with Victor Brudney, 69 *Univ. Of Chicago Law Review* 1191 (2002)

"A Comment on Electronic versus Floor-Based Securities Trading," *Journal of Institutional and Theoretical Economics* (Spring 2002)

"Much Ado About Order Flow," *Regulation Magazine* (Spring 2002)

"On Takeover Law and Regulatory Competition," with Lucian Bebchuk, 57 *Business Lawyer* 1047 (2002)

"Federal Intervention to Enhance Shareholder Choice," with Lucian Bebchuk, 87 *Virginia Law Review* 993 (2001)

"A New Approach to Regulatory Competition in Takeover Law," with Lucian Bebchuk, 87 *Virginia Law Review* 111 (2001)

"A Proposal for Solving the 'Payment for Order Flow' Problem," 74 *Southern California Law Review* 1027 (2001)

"Federalism and Takeover Law: The Race to Protect Managers from Takeovers," with Lucian Bebchuk, 99 *Columbia L. Rev.* 1168 (1999)

#### **TESTIMONY LAST FOUR YEARS**

*David E. Kaplan, et al. v. S.A.C. Capital Advisors, L.P., et al.*, Case No. 12 Civ. 9350 and *Birmingham Retirement and Relief System, et al., v. S.A.C. Capital Advisors, L.P., et al.*, Case No. 13 Civ. 2459, Supplemental Declaration, November 18, 2015.

*David E. Kaplan, et al. v. S.A.C. Capital Advisors, L.P., et al.*, Case No. 12 Civ. 9350 and *Birmingham Retirement and Relief System, et al., v. S.A.C. Capital Advisors, L.P., et al.*, Case No. 13 Civ. 2459, Declaration, August 27, 2015.

*In re Puda Coal Securities Inc. et al. Litigation*, Case No. 1:11-CV-2598, Expert report and deposition on July 29, 2015



*City of Lakeland Employees Pension Plan v. Baxter International, Inc., et al.*, Case No. 1:10-cv-06016, Expert report and deposition on June 3, 2015

*Bruce Sherman v. Bear Stearns Companies Inc. et al*, Case No. 08 MDL No. 1963, Expert report and deposition on May 28, 2015

*Fosbre v. Las Vegas Sands Corp.*, Case No. 2:10-cv-00765-APG-GWF, Expert report and deposition on March 25, 2015

*City of Lakeland Employees Pension Plan v. Baxter International, Inc., et al.*, Case No. 1:10-cv-06016, Expert report and deposition on October 17, 2014

*Louisiana Municipal Police Employees Retirement System v. Simon Property Group, Inc.*, Case No. 7764-CS, Expert report and deposition on July 7, 2014

*In re Lehman Brothers Securities and ERISA Litigation*, Case No. 09 MD 2017, Expert report and deposition on April 24, 2014

*SEC v. Moshayedi*, Case No. 12-CV-01179-JVS-JPR, Expert report and deposition on July 30, 2013

*In re Bank of America Corporation Securities, Derivative and ERISA Litigation*, Case No. 09 MDL 2058, Expert report and deposition on July 26, 2013

*Schneider v. Primerica Inc.*, FINRA Case No. 11-04751, Arbitration hearing on March 24-25, 2013

*CMMF, LLC v. J.P. Morgan Investment Management, Inc & Ted Ufferfilge*, Case No. 09-601924, Trial Testimony in Supreme Court in the State of New York, January 28-29, 2013 and deposition on September 20, 2012

*In re Bank of America Corporation Securities, Derivative, & ERISA Litigation*, Case No. 09-MDL-2058, Expert reports and deposition on May 22, 2012

*Securities and Exchange Commission v. Tambone & Hussey*, Case No. 06-CV-10885-NMG, Expert reports and deposition on January 13, 2012

*Hayes v. Merrill Lynch, Pierce, Fenner & Smith, Inc.*, FINRA Case No. 11-00432, Arbitration hearing on January 10, 2012

**Appendix B**  
**Materials Relied Upon**

**Expert Reports, Declarations, and Testimony**

Expert Report of John D. Finnerty, Ph.D., March 2, 2015

Rebuttal Report of Professor Allen Ferrell to the Expert Report of John Finnerty, Ph.D., April 16, 2015

Deposition of John D. Finnerty, May 14, 2015

Declaration of John D. Finnerty, Ph.D. in Support of Opposition to Defendant's Motion to Exclude Dr. Finnerty's Report and Testimony, October 13, 2015

**Academic Literature**

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